

PIMCO STRATEGIC INCOME FUND, INC

Form N-CSRS

October 03, 2014

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-08216

PIMCO Strategic Income Fund, Inc.

(Exact name of registrant as specified in charter)

1633 Broadway, New York, New York
(Address of principal executive offices)

10019
(Zip code)

William G. Galipeau

1633 Broadway,

New York, New York 10019

(Name and address of agent for service)

Registrant's telephone number, including area code: 1-888-877-4626

Date of fiscal year end: January 31, 2015

Date of reporting period: July 31, 2014

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ITEM 1: REPORT TO SHAREHOLDERS

PIMCO Strategic Income Fund, Inc. (formerly PIMCO Strategic Global Government Fund, Inc.)

Semi-Annual Report

July 31, 2014

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Letter from Chairman of the Board &

President

Hans W. Kertess

Chairman

Julian Sluyters

*President & CEO**

Dear Stockholder:

After three years of generally moderate growth, the US economy contracted during the first quarter of 2014. However, this proved to be a temporary setback as the economy again expanded during the second quarter of the year. Longer-term bond yields declined, while shorter-term rates moved higher during the six months ended July 31, 2014.

Six Months in Review through July 31, 2014

For the six-month reporting period ended July 31, 2014, PIMCO Strategic Income Fund, Inc. (formerly PIMCO Strategic Global Government Fund, Inc.) (the Fund) returned 3.89% on net asset value (NAV) and 5.74% on market price. In contrast, US government bonds, measured by the Barclays Intermediate-Term US Treasury Index, returned 0.45% and the Barclays US Credit Index, which reflects corporate bond performance, gained 3.90%. The Barclays US Aggregate Bond Index, a measure of the broad US bond market, rose 2.16% and the Barclays US Intermediate Aggregate Bond Index, a broad measure of intermediate-term bonds, returned 1.35%. Mortgage-backed securities, represented by the Barclays Fixed Rate Mortgage-Backed Securities Index, increased 1.84%. US stocks, as measured by the Standard & Poor's 500 Index, advanced 9.44%.

After several years of positive growth, severe winter weather in parts of the United States constrained the US economy in early 2014. Looking back, gross domestic product (GDP), the value of goods and services produced in the country, the broadest measure of economic activity and the principal

indicator of economic performance, expanded at a revised 3.5% annual pace during the fourth quarter of 2013, contracted at an annual pace of 2.1% during the first quarter of 2014 and then expanded at an estimated 4.2% annual pace during the second quarter of 2014.

The Federal Reserve (the Fed) maintained an accommodative monetary stance during the reporting period. Announcements and actions related to the reduction of the Fed's monthly asset-purchase program contributed to bond-yield volatility during the December to May period. The markets have also been scrutinizing Fed statements

related to when interest rates would begin to rise. In July, the Fed repeated that it would not raise rates in the near future, saying that it likely will be appropriate to maintain the current target range for the federal funds rate for a considerable time after the asset purchase program ends, especially if projected inflation continues to run below the Committee's 2 percent longer-run goal, and provided that longer-term inflation expectations remain well anchored.

While inflation remains significantly lower than the European Central Bank (ECB) would like, growth in the euro zone continued. After six consecutive quarters of negative growth, the euro

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zone finally emerged from its recession during the second quarter of 2013. The region's economy has now modestly expanded for four straight quarters. Supporting the region's economy have been aggressive actions by the ECB. In June 2014, the ECB reduced its benchmark rate from 0.25% to 0.15%, a new record low.

Prime Minister Abe and the Bank of Japan also took a number of actions to bolster the Japanese economy and end its lengthy deflationary cycle. The country's economy has now grown five consecutive quarters, with second quarter 2014 GDP growth being among the strongest when compared to other developed countries. However,

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this was partially driven by sharply higher consumer spending ahead of Japan's April 1, 2014 sales tax increase. As such, there are questions whether the pace of its expansion is sustainable.

Outlook

Global growth dynamics remain little changed. We continue to forecast moderate global economic growth for the world economy in the region of 3.25% in 2014 as a whole, albeit now with heightened risks to the downside in the second half of the year. A brief world tour reveals the state of play in the major economies: the US leads the way, strengthening again as it emerges from a weaker weather-impacted first quarter; while Japan tackles the second-quarter shock to the economy from the sales tax increase with a reflationary economic policy. Finally, in Europe, the UK recovery is strengthening and drawing away from the euro zone, which remains on a more moderate growth path in 2014.

Please note, at the close of business on September 5, 2014, Pacific Investment Management Company LLC (PIMCO), previously the sub-adviser, replaced Allianz Global Investors Fund Management LLC as the investment manager. There are no changes to the investment professionals managing the Fund, nor will the Fund's investment objective or investment process change.

For specific information on the Fund and their performance, please review the following pages. If you have any questions regarding the information provided, we encourage you to contact your financial advisor or call the Fund's shareholder servicing agent at (844) 33PIMCO (844-337-4626). In addition, a wide range of information and resources is available on PIMCO's website, pimco.com/closedendfunds.

Sincerely,

Hans W. Kertess
Chairman

* President & CEO through September 5, 2014.

Julian Sluyters
*President & CEO**

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Fund Insights

PIMCO Strategic Income Fund, Inc.

July 31, 2014 (unaudited)

For the six-month period ended July 31, 2014, PIMCO Strategic Income Fund, Inc. (formerly PIMCO Strategic Global Government Fund, Inc.) (the Fund) returned 3.89% on net asset value (NAV) and 5.74% on market price. On a NAV basis, the Fund outperformed the unmanaged Barclays US Aggregate Bond and Barclays US Intermediate Aggregate Bond Indices, which gained 2.16% and 1.35%, respectively, during the reporting period.

The US fixed income market experienced periods of volatility during the six-month reporting period ended July 31, 2014. This was triggered by a number of factors, including mixed economic data, Fed asset purchase tapering and numerous geopolitical issues. All told, short-term Treasury yields rose during the reporting period, whereas longer-term Treasury yields declined. Longer-term Treasury yields fell as investor risk aversion increased due to concerns about moderating global growth and uncertainties overseas. The benchmark 10-year Treasury bond began the reporting period yielding 2.67% and ended the period at 2.58%.

Sector positioning enhances the Fund's performance

The Fund's exposures to US agency mortgage-backed securities (MBS) and European MBS contributed to performance during the reporting period. These sectors continued to benefit from the strength in real estate prices, improving collateral performance and positive supply and demand technicals. The Fund's exposure to US agency MBS was also rewarded as the sector was supported by declining interest rates, limited new issuance and relatively benign prepayment speeds. The Fund's allocation to investment grade corporate bonds was additive for performance as well. The Fund's focus on real estate and financial corporate bonds were among the largest contributors to results during the six-month reporting period. The Fund's modest exposure to emerging market debt added to results, as spreads in the sector tightened amid a broad rally in credit assets during the reporting period. Elsewhere, the Fund's duration positioning contributed to results amid the declining interest rate environment.

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PIMCO Strategic Income Fund, Inc.

July 31, 2014 (unaudited)

Total Return⁽¹⁾:	Market Price	NAV
Six Month	5.74%	3.89%
1 Year	8.20%	10.02%
5 Year	14.93%	17.73%
10 Year	10.75%	10.63%
Commencement of Operations (2/24/94) to 7/31/14	9.41%	9.02%

Market Price/NAV Performance:

Commencement of Operations (2/24/94) to 7/31/14

Market Price/NAV:

Market Price	\$10.20
NAV	\$9.13
Premium to NAV	11.72%
Market Price Yield ⁽²⁾	8.65%
Leverage Ratio ⁽³⁾	35.15%

Moody's Ratings*

(as a % of total investments)

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Performance & Statistics

PIMCO Strategic Income Fund, Inc.

July 31, 2014 (unaudited) (continued)

*Bond ratings apply to the underlying holdings of the Fund and not the Fund itself and are divided into categories ranging from highest to lowest credit quality, determined for purposes of this presentation by using ratings provided by Moody's Investors Service, Inc. (Moody's). The Fund uses ratings provided by Moody's for this purpose, among other reasons, because of the access to background information and other materials provided by Moody's, as well as the Fund's consideration of industry practice. When a bond is not rated by Moody's, it is designated in the chart above as NR for not rated. Credit quality ratings assigned by a rating agency are subjective opinions, not statements of fact, and are subject to change periodically, even as frequently as daily. Ratings assigned by Moody's or another rating agency are not absolute standards of credit quality and do not evaluate market risk. Rating agencies may fail to make timely changes in credit ratings, and an issuer's current financial condition may be better or worse than a rating indicates. In formulating investment decisions for the Fund, Pacific Investment Management Company LLC, the investment manager to the Fund, develops its own analysis of the credit quality and risks associated with individual debt instruments, rather than relying exclusively on rating agencies or third-party research.

(1) **Past performance is no guarantee of future results.** Total return is calculated by determining the percentage change in NAV or market price (as applicable) in the specified period. The calculation assumes that all dividends and distributions, if any, have been reinvested. Total return does not reflect broker commissions or sales charges in connection with the purchase or sale of Fund stock. Total return for a period of less than one year is not annualized. Total return for a period of more than one year represents the average annual total return.

Performance at market price will differ from results at NAV. Although market price returns typically reflect investment results over time, during shorter periods returns at market price can also be influenced by factors such as changing views about the Fund, market conditions, supply and demand for the Fund's stock, or changes in the Fund's dividends.

An investment in the Fund involves risk, including the loss of principal. Total return, market price, market price yield and NAV will fluctuate with changes in market conditions. This data is provided for information purposes only and is not intended for trading purposes. Closed-end funds, unlike open-end funds, are not continuously offered. There is a onetime public offering and, once issued, shares of closed-end funds are traded in the open market through a stock exchange. NAV is equal to total assets less total liabilities divided by the number of shares outstanding. Holdings are subject to change daily.

(2) Market Price Yield is determined by dividing the annualized current monthly dividend per share (comprised of net investment income) by the market price per share at July 31, 2014.

(3) Represents Reverse Repurchase Agreements (Leverage) that may be outstanding, as a percentage of total managed assets. Total managed assets refer to total assets (including assets attributable to Leverage) minus liabilities (other than liabilities representing Leverage).

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PIMCO Strategic Income Fund, Inc.

July 31, 2014 (unaudited)

Principal

Amount

(000s)		Value
U.S. Government Agency Securities 107.7%		
	Fannie Mae,	
\$197	2.065%, 12/1/30, MBS (k)	\$197,373
2	2.20%, 4/1/30, MBS (k)	1,623
12	2.25%, 9/1/28, MBS (k)	12,180
88	2.40%, 3/1/32, MBS (k)	88,672
8	2.415%, 2/1/32, MBS (k)	8,303
52	2.445%, 12/1/28, MBS (k)	52,471
59	2.45%, 11/1/27, MBS (k)	59,216
8,100	2.50%, 12/25/27, CMO, IO	830,289
70	2.625%, 3/1/31, MBS (k)	70,077
3	2.722%, 12/1/25, MBS (k)	2,726
169,000	3.00%, MBS, TBA, 30 Year (e)	165,511,029
5,000	3.50%, MBS, TBA, 30 Year (e)	5,092,804
29,000	4.00%, MBS, TBA, 30 Year (e)	30,400,722
501	4.25%, 11/25/24-3/25/33, CMO	538,025
1,367	4.50%, 9/1/23-8/1/41, MBS (i)	1,476,032
3,837	4.50%, 7/25/40, CMO (i)	4,039,526
4	5.00%, 12/1/18, MBS	4,247
23,403	5.00%, 1/25/38, CMO (i)	25,095,760
485	5.00%, 7/25/38, CMO	529,500
933	5.50%, 12/25/16-12/25/34, CMO	1,040,208
11,744	5.50%, 11/25/32-4/25/35, CMO (i)	12,812,177
60	5.75%, 6/25/33, CMO	65,948
2,500	5.807%, 8/25/43, CMO (i)	2,815,424
53	5.902%, 12/25/42, CMO (k)	59,375
570	6.00%, 2/25/17-9/25/31, CMO	625,438
286	6.00%, 12/1/32-2/1/33, MBS	323,413
16,718	6.00%, 12/1/32-6/1/40, MBS (i)	18,839,151
2,608	6.00%, 1/25/44, CMO (i)	2,936,003
29	6.363%, 10/25/42, CMO (k)	32,347
3,322	6.50%, 10/1/18-11/1/47, MBS	3,727,569
2,305	6.50%, 6/25/23-6/25/44, CMO	2,630,126
3,308	6.50%, 7/1/29-7/1/39, MBS (i)	3,757,762
5,280	6.50%, 3/25/32-9/25/42, CMO (i)	5,944,644

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881	6.566%, 2/25/42, CMO (i)(k)	1,024,776
29	6.85%, 12/18/27, CMO	32,649
938	6.947%, 9/25/41, CMO (i)(k)	1,071,439
2,368	7.00%, 3/1/16-1/1/47, MBS	2,605,662
2,728	7.00%, 7/1/21-5/1/30, MBS (i)	3,007,948
942	7.00%, 6/18/27-2/25/44, CMO	1,068,247
1,376	7.00%, 3/25/45, CMO (i)	1,601,598
702	7.029%, 10/25/42, CMO (k)	804,250
260	7.50%, 6/1/17-5/1/32, MBS	274,064
210	7.50%, 5/1/22, MBS (i)	231,536
1,265	7.50%, 10/25/22-3/25/44, CMO	1,441,747
151	7.50%, 6/19/41, CMO (k)	176,915
1,453	7.50%, 6/25/44, CMO (i)	1,693,361
39	7.70%, 3/25/23, CMO	43,829

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PIMCO Strategic Income Fund, Inc.

July 31, 2014 (unaudited) (continued)

Principal

Amount

(000s)		Value
U.S. Government Agency Securities 107.7% (continued)		
\$1,211	7.875%, 6/19/41, CMO (i)(k)	\$1,355,785
132	8.00%, 9/25/21, CMO	153,592
334	8.00%, 1/1/22-6/1/32, MBS	375,202
261	8.00%, 7/1/31-10/1/31, MBS (i)	300,345
10	8.50%, 4/1/16, MBS	9,856
1,365	8.50%, 9/25/21-6/25/30, CMO	1,558,922
314	9.405%, 5/15/21, MBS	352,930
102	9.967%, 7/15/27, MBS	109,637
	Freddie Mac,	
8	2.262%, 12/1/26, MBS (k)	7,788
39	2.374%, 9/1/31, MBS (k)	39,758
4	2.401%, 4/1/33, MBS (k)	4,526
3,000	4.00%, MBS, TBA, 30 Year (e)	3,148,125
18	5.00%, 2/15/24, CMO	19,790
5,628	5.50%, 4/1/39, MBS (i)	6,306,925
6,000	5.50%, 6/15/41, CMO (i)	6,741,513
1,538	6.00%, 9/15/16-3/15/35, CMO	1,672,376
542	6.00%, 4/1/17-2/1/34, MBS	593,256
170	6.00%, 4/1/17, MBS (i)	178,561
4,623	6.00%, 2/15/32, CMO (i)	5,068,866
745	6.362%, 7/25/32, CMO (k)	858,600
1,095	6.50%, 11/1/16-9/1/47, MBS	1,196,304
2,736	6.50%, 9/15/23-10/25/43, CMO	3,054,128
11,720	6.50%, 10/15/23-3/25/44, CMO (i)	13,261,891
78	6.50%, 9/25/43, CMO (k)	89,147
175	6.563%, 7/25/32, CMO (k)	199,322
606	6.90%, 9/15/23, CMO	679,316
288	6.95%, 7/15/21, CMO	324,949
1,862	7.00%, 9/1/14-1/1/37, MBS	2,038,656
929	7.00%, 8/1/21-1/1/36, MBS (i)	1,043,130
3,416	7.00%, 5/15/23-10/25/43, CMO	3,914,041
4,106	7.00%, 3/15/29, CMO (i)	4,710,406
647	7.50%, 1/1/16-3/1/37, MBS	697,313
1,004	7.50%, 5/15/24-2/25/42, CMO	1,140,181

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2,872	7.50%, 8/1/24-5/1/32, MBS (i)	3,299,899
124	8.00%, 8/15/22-4/15/30, CMO	145,116
56	8.00%, 7/1/24-8/1/24, MBS	59,387
307	8.00%, 12/1/26, MBS (i)	344,784
	Ginnie Mae,	
20,655	4.00%, 10/15/40, MBS (i)	21,904,810
319	6.00%, 4/15/29-12/15/38, MBS	359,781
3,512	6.00%, 7/15/37-11/15/38, MBS (i)	3,971,908
144	6.50%, 11/20/24-10/20/38, MBS	152,192
928	6.50%, 4/15/32-5/15/32, MBS (i)	1,074,772
30	6.50%, 6/20/32, CMO	34,142
82	7.00%, 4/15/24-6/15/26, MBS	86,567
707	7.50%, 1/15/17-3/15/29, MBS	753,964
614	7.50%, 9/15/26-1/15/29, MBS (i)	678,912

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PIMCO Strategic Income Fund, Inc.

July 31, 2014 (unaudited) (continued)

Principal

Amount

(000s)		Value
U.S. Government Agency Securities 107.7% (continued)		
\$30	8.00%, 6/15/16-11/15/22, MBS	\$30,683
13	8.50%, 10/15/16-2/15/31, MBS	13,870
249	9.00%, 6/15/16-1/15/20, MBS	261,320
Small Business Administration Participation Certificates, ABS,		
310	4.625%, 2/1/25	328,072
121	4.754%, 8/10/14	120,658
62	5.038%, 3/10/15	63,790
859	5.51%, 11/1/27	958,722
92	5.78%, 8/1/27	102,566
74	5.82%, 7/1/27	83,133
79	6.30%, 6/1/18	83,049
10	7.20%, 6/1/17	11,064
5	7.70%, 7/1/16	4,850
Vendee Mortgage Trust, CMO,		
284	6.50%, 3/15/29	325,250
190	6.75%, 2/15/26-6/15/26	217,750
3,826	7.50%, 9/15/30	4,334,307
Total U.S. Government Agency Securities (cost-\$393,227,411)		405,708,636
Corporate Bonds & Notes 44.8%		
Airlines 1.3%		
United Air Lines Pass-Through Trust,		
1,968	6.636%, 1/2/24	2,170,245
540	9.75%, 7/15/18 (i)	613,832
1,771	10.40%, 5/1/18 (i)	1,996,571
		4,780,648
Banking 17.9%		
Ally Financial, Inc.,		
3,000	6.75%, 12/1/14	3,041,250
6,100	8.30%, 2/12/15	6,294,438
£1,300	Barclays Bank PLC, 14.00%, 6/15/19 (g)	2,995,887
BPCE S.A. (g),		
50	9.00%, 3/17/15	69,530
300	9.25%, 4/22/15	419,527
\$9,000	Citigroup, Inc., 5.00%, 9/15/14 (i)	9,045,792

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	Cooperatieve Centrale Raiffeisen-Boerenleenbank BA,	
2,000	6.875%, 3/19/20	3,207,025
\$4,166	11.00%, 6/30/19 (a)(d)(g)(i)	5,597,021
7,700	Discover Bank, 7.00%, 4/15/20	9,217,655
£800	DnB NOR Bank ASA, 6.012%, 3/29/17 (g)	1,438,431
\$5,000	ICICI Bank Ltd., 5.75%, 11/16/20 (a)(d)	5,446,175
300	LBG Capital No. 1 PLC, 7.625%, 10/14/20	444,354
	LBG Capital No. 2 PLC,	
£2,600	15.00%, 12/21/19	6,386,837
200	15.00%, 12/21/19	410,796
\$13,000	Regions Financial Corp., 7.75%, 11/10/14	13,247,923
		67,262,641

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PIMCO Strategic Income Fund, Inc.

July 31, 2014 (unaudited) (continued)

Principal

Amount

(000s)		Value
Corporate Bonds & Notes 44.8% (continued)		
Capital Markets 2.9%		
\$11,009	Blackstone CQP Holdco LP, 9.296%, 3/18/19 (a)(b)(d)(j) (acquisition cost-\$11,064,643; purchased 3/18/14-6/30/14)	\$11,022,338
Coal 0.5%		
2,100	Berau Coal Energy Tbk PT, 7.25%, 3/13/17 (a)(d)	2,044,875
Diversified Financial Services 10.3%		
1,800	C10 Capital SPV Ltd., 6.722%, 12/29/49	1,791,000
3,000	Cantor Fitzgerald L.P. (a)(d), 6.375%, 6/26/15	3,116,250
1,200	7.875%, 10/15/19	1,332,000
2,400	Exeter Finance Corp., 9.75%, 5/20/19 (a)(b)(d)(e)(f)(j) (acquisition cost-\$2,352,000; purchased 5/15/14)	2,400,000
1,000	Ford Motor Credit Co. LLC (i), 6.625%, 8/15/17	1,143,345
10,000	8.70%, 10/1/14	10,129,930
£3,000	General Electric Capital Corp., 6.50%, 9/15/67 (converts to FRN on 9/15/17) (i)	5,558,726
\$4,000	HSBC Finance Corp., 6.676%, 1/15/21 (i)	4,773,404
2,000	International Lease Finance Corp., 6.75%, 9/1/16 (a)(d)	2,195,000
1,417	Jefferies LoanCore LLC, 6.875%, 6/1/20 (a)(d)	1,420,542
1,000	Navient Corp., 8.00%, 3/25/20	1,132,500
2,500	8.45%, 6/15/18	2,893,750
500	Springleaf Finance Corp., 6.50%, 9/15/17	536,250
500	6.90%, 12/15/17	542,500
		38,965,197
Electric Utilities 0.1%		
115	Illinois Power Generating Co., 6.30%, 4/1/20	110,688
273	7.95%, 6/1/32	270,270
		380,958
Engineering & Construction 1.6%		
2,000	Aeropuertos Dominicanos Siglo XXI S.A., 9.75%, 11/13/19 (a)(d)	1,940,000
4,198	Alion Science and Technology Corp., 12.00%, 11/1/14, PIK	4,189,957

		6,129,957
	Healthcare-Services 0.4%	
1,500	HCA, Inc., 9.00%, 12/15/14	1,539,375
	Household Products/Wares 0.4%	
1,300	Armored Autogroup, Inc., 9.25%, 11/1/18	1,358,500
	Insurance 3.8%	
	American International Group, Inc.,	
6,300	5.85%, 1/16/18 (i)	7,140,792
£819	6.765%, 11/15/17 (i)	1,571,880
\$1,000	8.25%, 8/15/18 (i)	1,231,682
£850	8.625%, 5/22/68 (converts to FRN on 5/22/18)	1,695,875
\$2,600	Pinnacol Assurance, 8.625%, 6/25/34 (a)(b)(f)(j)	
	(acquisition cost-\$2,600,000; purchased 6/23/14)	2,622,959
		14,263,188

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PIMCO Strategic Income Fund, Inc.

July 31, 2014 (unaudited) (continued)

Principal

Amount

(000s)		Value
Corporate Bonds & Notes 44.8% (continued)		
Lodging 0.3%		
	Caesars Entertainment Operating Co., Inc.,	
\$1,334	8.50%, 2/15/20 (i)	\$1,173,920
66	9.00%, 2/15/20	55,275
		1,229,195
Media 0.4%		
400	Clear Channel Communications, Inc., 9.00%, 3/1/21	415,000
1,000	Spanish Broadcasting System, Inc., 12.50%, 4/15/17 (a)(d)	1,107,500
		1,522,500
Metal Fabricate/Hardware 0.3%		
860	Wise Metals Group LLC, 8.75%, 12/15/18 (a)(d)	926,650
Oil, Gas & Consumable Fuels 1.4%		
240	Forbes Energy Services Ltd., 9.00%, 6/15/19	244,800
2,600	Gazprom OAO Via Gaz Capital S.A., 8.625%, 4/28/34	3,029,000
500	Petrobras International Finance Co. - Pifco, 7.875%, 3/15/19	578,000
1,250	Ras Laffan Liquefied Natural Gas Co., Ltd. III, 6.332%, 9/30/27 (b)	1,449,355
		5,301,155
Paper & Forest Products 0.0%		
50	Millar Western Forest Products Ltd., 8.50%, 4/1/21	53,500
Pipelines 0.4%		
300	NGPL PipeCo LLC, 7.768%, 12/15/37 (a)(d)	295,500
1,200	Rockies Express Pipeline LLC, 6.875%, 4/15/40 (a)(d)	1,200,000
		1,495,500
Real Estate Investment Trust 2.3%		
3,000	Columbia Property Trust Operating Partnership L.P., 5.875%, 4/1/18 (i)	3,141,510
4,500	SL Green Realty Corp., 7.75%, 3/15/20	5,383,638
		8,525,148
Retail 0.5%		
£400	Aston Martin Capital Ltd., 9.25%, 7/15/18	717,527
\$904	CVS Pass-Through Trust, 7.507%, 1/10/32 (a)(d)	1,139,221
£20	Enterprise Inns PLC, 6.875%, 5/9/25	35,708
		1,892,456
Transportation 0.0%		
\$120	Western Express, Inc., 12.50%, 4/15/15 (a)(d)	102,300

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Total Corporate Bonds & Notes (cost-\$151,036,826)		168,796,081
Mortgage-Backed Securities 40.1%		
Adjustable Rate Mortgage Trust, CMO (k),		
1,285	2.518%, 7/25/35	1,237,059
2,817	2.753%, 8/25/35	2,662,993
45	Banc of America Mortgage Trust, 2.714%, 2/25/35, CMO (k)	44,747
2,833	Banc of America Re-Remic Trust, 5.686%, 4/24/49, CMO (a)(d)(k)	3,039,643
BCAP LLC Trust, CMO (a)(d)(k),		
211	0.356%, 7/26/36	157,596
43	2.59%, 6/26/35	38,234
130	2.599%, 10/26/33	111,877
574	5.014%, 3/26/36	586,083
555	Bear Stearns ALT-A Trust, 2.622%, 8/25/36, CMO (k)	421,368

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Schedule of Investments

PIMCO Strategic Income Fund, Inc.

July 31, 2014 (unaudited) (continued)

Principal

Amount

(000s)